COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of:

PETITION OF COLUMBIA GAS OF)
KENTUCKY FOR AUTHORITY TO)
ADJUST RATES IN ACCORDANCE) CASE NO. 8281-E
WITH THE PURCHASED GAS)
ADJUSTMENT PROCEDURE)

O R D E R

On December 30, 1981, this Commission issued its Order in Case No. 8281, approving certain adjustments in the rates of Columbia Gas of Kentucky, Inc. ("Columbia"), and providing under certain conditions for further adjustment of rates when the wholesale cost of gas is increased, decreased or refunds are received.

On March 30, 1982, Columbia notified the Commission that its supplier, Columbia Gas Transmission Corporation ("Transmission") has filed with the Federal Energy Regulatory Commission ("FERC") decreased rates which Columbia proposed to place into effect on and after April 19, 1982.

On January 29, 1982, Transmission filed with the FERC increased rates to be effective March 1, 1982. On February 5, 1982, in Case No. 8281-C Columbia filed to track Transmission's proposed increase. By Order issued February 24, 1982, the Commission approved Columbia's filing subject to FERC acceptance.

By Order dated February 26, 1982, FERC conditionally accepted Transmission's filing to become effective March 1, 1982. Subsequent to Columbia placing these rates into effect, Transmission filed on March 16, 1982, revised tariff sheets to be proposed effective March 1, 1982.

Because of the circumstances, Columbia has requested the rates to become effective with gas supplied on and after April 19, 1982. Columbia proposes to refund to its customers any over collection experienced during the lag between Transmission's effective date of March 1, 1982, and Columbia's proposed effective date.

The estimated annual decrease in revenues as a result of Columbia's filing of March 30, 1982, is \$461,100 or 1.6 cents per Mcf.

Columbia, in compliance with its tariff and previous

Orders of the Commission, submitted with its notice certain information in compliance with its purchased gas adjustment clause on file with this Commission.

After reviewing this evidence of record and being advised, the Commission is of the opinion and finds that:

- 1. Columbia's supplier, Transmission, has filed for decreased rates to become effective March 1, 1982.
- 2. The application filed March 30, 1982, reflected Transmission rates as filed with FERC on March 16, 1982, to be made effective March 1, 1982.

- 3. Columbia has proposed to place the decreased rates into effect April 19, 1982. Columbia shall refund to its customers any over collection experienced during the lag between Transmission's effective date of March 1, 1982, and Columbia's proposed billing date of April 19, 1982.
- 4. Columbia's adjustment in rates under the purchased gas adjustment provisions approved by the Commission in its Order in Case No. 8281, dated December 30, 1981, is fair, just and reasonable, in the public interest and should be effective with gas supplied on and after April 19, 1982, for all rate schedules.

IT IS THEREFORE ORDERED that the purchased gas adjustment sought by Columbia as in Appendix A attached hereto and made a part hereof, be and is hereby approved to be effective with gas supplied on and after April 19, 1982.

IT IS FURTHER ORDERED that Columbia shall refund to its customers any over collection experienced during the lag between Transmission's effective date of March 1, 1982, and Columbia's proposed billing date of April 19, 1982.

IT IS FURTHER ORDERED that within 30 days after the date of this Order, Columbia shall file with this Commission its revised tariff sheets setting out the rates approved herein.

IT IS FURTHER ORDERED that the information furnished this Commission by Columbia on March 30, 1982, constitutes full compliance with the Commission's requirements and Order in Case No. 8281, and any other information ordinarily required to be filed under the Commission's regulations is hereby waived.

Done at Frankfort, Kentucky, this 7th day of April, 1982. PUBLIC SERVICE COMMISSION ATTEST: Secretary

APPENDIX A

APPENDIX TO AN ORDER OF THE PUBLIC SERVICE COMMISSION IN CASE NO. 8281-E DATED APRIL 7, 1982

The following rates and charges are prescribed for the customers in the area served by Columbia Gas of Kentucky, Inc. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of the Commission prior to the date of this Order.

RATES:

Rate Schedule GS	Rate per Mcf		
Residential			
First 1 Mcf or less per month Next 49 Mcf per month Next 50 Mcf per month Next 100 Mcf per month Next 800 Mcf per month Over 1,000 Mcf per month Minimum Monthly Charge	\$6.413 5.137 5.087 5.057 5.027 5.007 6.41		
Commercial and Industrial			
First 1 Mcf or less per month Next 49 Mcf per month Next 50 Mcf per month Next 100 Mcf per month Next 800 Mcf per month Over 1,000 Mcf per month Minimum Monthly Charge	\$6.638 5.288 5.238 5.208 5.178 5.158 6.64		
Rate Schedule FC-1			
<u>Firm</u>			
First 1,000 Mcf per month Over 1,000 Mcf per month	\$5.089 5.039		

Rate Schedule (Con'd)	Rate per Mcf (Con'd)
Curtailable	
All Volume	\$4.889
Rate Schedule FI-I	
Firm	
First 5,000 Mcf per month Over 5,000 Mcf per month	\$5.036 \$5.006
Interruptible	
All Volume	\$4.826
Rate Schedule FI-2	
Firm	
First 50,000 Mcf per month Over 50,000 Mcf per month	\$4.936 \$4.886
Interruptible	
All Volume	\$4.776
Rate Schedule IS-I	
April through November	
For all Volumes delivered each month up to and including average monthly Winter Volumes	\$5.238
For all Volumes in excess of the average monthly Winter Volumes	\$4.838
December through March	
All Mcf	\$5.238
Rate Schedule IUS-1	
All Volumes	\$4.871

The base rates for the future application of the purchased gas adjustment clause are:

Columbia Gas Transmission Corporation

Zone 1 - Rate per Dth

	Demand	Commodity
Schedule CDS	\$3.08	360.77¢
Schedule WS Demand		
Winter Contract Quantity	\$1.22 .92¢	
Zone 3 - Rate per Dth		
Schedule CDS	\$3.08	360.77¢
Schedule WS		
Demand Winter Contract Quantity	\$1.22 .92¢	
Columbia LNG Corporation		
LNG - Rate per Mcf		\$ 5.105
Transporation - Rate per Dtl	h	
Zone No. 1 Zone No. 3		35.03¢ 35.03¢